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Socioeconomic Specialist Report

Lake Mountain and Middle Tompkins Grazing Allotment Management Plan Project

Oak Knoll and Scott River Ranger Districts, Klamath National Forest,
Siskiyou County, CA



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Socioeconomic Resource Report

Introduction

This report discloses the socioeconomic effects anticipated as a result of the Lake Mountain and Middle Tompkins Allotment Management Plan (AMP) Project. For a complete description of the project purpose and need and alternatives analyzed, please refer to the *Lake Mountain and Middle Tompkins Allotment Management Plan Project Environmental Assessment* (EA). A complete list of project design features applicable to all resources is included in the EA.

Methodology

The Economic Profile System (accessed on May 26, 2016) provides demographic and economic information. Information from the U.S. Department of Commerce, Bureau of Economic Analysis (2014) and Census Bureau (2015); U.S. Department of Agriculture, National Agricultural Statistics Service, Census of Agriculture (2014); and U.S. Department of Labor, Bureau of Labor Statistics (2015) is summarized in the Economic Profile System. Additional information from the Census of Agriculture, including 1997 and 2007 censuses for historic purposes, is used. Local information on values comes from “The Code of the West: the Realities of Rural Living” (Siskiyou County 2005) and the Siskiyou County Land and Resource Management Plan (1996). Demographic information including racial, ethnic and economic status is provided to assess the effects of the proposed action and alternatives on environmental justice and civil rights.

Spatial and Temporal Bounds

The political boundaries of Siskiyou County, California are employed in this investigation to provide specific delineation for analysis of key socioeconomic indicators; this is the spatial boundary for which most social and economic information is available. To present analytical comparison of economic indicators within the most recent decade, the time frame of from 2005 through 2015 is used. Farm characteristics indicators are given for 2007 and 2012; 2012 is the most current agricultural census data available. For data with more recent figures, the most up-to-date information is used. For an analysis of the effects of the project, short-term effects are those that occur at the time of implementation of the project and for the first year of the annual operating plan; long-term effects would be those that occur within the 10-year life of the plan.

Analysis Indicators

Indicators of the effects on social values include those that would measure the effects on a rural lifestyle and values. Indicators of economic effects include those that indicate provision of economic value to residents of the county. These include:

- Opportunities to continue grazing on the Forest measured by the number of allotments under a Term Grazing Permit, number of permitted cattle (animal unit months), and number of acres available for grazing;
 - Opportunities for cattle ranchers to stay in business and prosper measured by economic costs to permittees of not using public land to supplement feed for cattle; and
 - Farm employment (especially related to cattle) in the county in comparison with nonfarm employment.
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Affected Environment

Demographics and Commonly-Held Values

The racial distribution of Siskiyou County is mostly Caucasian, with about 87 percent identifying themselves as White persons in 2014; 94 percent identify themselves as one race and about 6 percent identify themselves as being of two or more races (Economic Profile System 2016). About 89 percent identify themselves as non-Hispanic and 11 percent as Hispanic or Latino (of any race). Only those who identify themselves as American Indians alone are present in a larger percentage in the county (four percent) than in California as a whole (less than one percent).

Almost 23 percent of Siskiyou County residents, and 18 percent of families) were below the poverty line in 2014 (Economic Profile System 2016); this is an increase from 18 percent in 2007 (U.S. Census Bureau 2012). Twenty-three percent of county residents are 65 years of age and older compared to 12 percent in the State (U.S. Census Bureau 2014).

Lifestyles, attitudes, beliefs and values of Siskiyou County residents are similar to those of rural residents in other counties in the western United States. Many local residents depend on the environment to support them, both professionally and personally; this in turn affects their lifestyles and attitudes. “The Code of the West: the Realities of Rural Living” (Siskiyou County 2005) sheds light on some of the conventions of living in Siskiyou County. “The right to be rural” is fundamental among residents. The rugged terrain of the Forest contributes to the isolation of many communities, and further promotes a rural lifestyle. Self-reliance, interdependence between neighbors, and close interaction with the outdoors are important benefits of living in Siskiyou County. This theme directly relates to the use of Forest resources, and to the desire among many residents to see Forest resources being used to economically benefit the County. The ability of these communities to respond to stresses and take advantage of opportunities to meet community needs (known as community capacity) is fluid, tied primarily to the availability of economic resources.

Agricultural Environment

The current and past situation in terms of opportunities for grazing on public land, economic status of people including cattle ranchers, and percentage of farm employment opportunities in Siskiyou County are displayed in the following tables. Table 1 gives the most recent data for population, income, and unemployment in Siskiyou County. Table 2 lists the most recent data for number of farms and various characteristics.

Table 1: Siskiyou County population, median household income, and unemployment

Year	Population	Median Household Income	Unemployment Rate
2000	44,281	\$30,589	7.5%
2010	44,962	\$36,001	17.6%
2014-2015	43,554	\$37,495	11.3%

From 2000 through 2010 population and median household income both increased slightly, but unemployment rates more than doubled. By 2015, the population had not changed substantially, median income had risen; the unemployment rate had decreased substantially.

Table 2 - Numbers of farms, farm acreages, and farm employment in Siskiyou County for 1997, 2007 and 2012 (USDA 1999, USDA 2009, USDA 2014)

Year	Number of Farms	Land in Farm (acres)	Number of Cattle Farms	Number of Cattle	Number of Operators with primary occupations off the Farm
1997	733	628,745	417	79,676	286
2007	846	597,534	361	56,535	396
2012	929	722,855	418	53,944	388

Between 1997 and 2007, total Siskiyou County farms increased, but total farm acreage decreased. By 2012, both number of farms and acreage in the county increased. Number of farms in the 1,000 acre or larger category decreased and number of farms in the 10 to 179 acre category increased the most; this indicates farms are likely being subdivided. (USDA 1999; USDA 2009, USDA 2014).

Number of cattle farms and total number of cattle also declined between 1997 and 2007; by 2012, the total number of cattle had declined slightly from 2007 but the number of cattle farms had increased back to the 1997 number. In 1997, 57% of Siskiyou County farms produced cattle; by 2007, 43% produced cattle and by 2012 the percentage producing cattle was 45%. Farm operators often sought outside employment for primary income. During 1997, 39% of farm operators had a primary occupation off-farm. By 2007, that number increased to 47% working off-farm in a primary occupation, and by 2012 the percentage had decreased to 42%. This suggests that the farm lifestyle and products are important to people but farms, especially smaller ones, need additional assistance to be economically sustainable especially during difficult economic times.

When public land forage comprises an integral portion of their yearly forage allocation, cattle ranchers believe that their economic viability depends upon continued availability of this forage (Rowe and Bartlett. 2001; Torell et al. 1992). Several studies examining potential economic impact of livestock reductions on public lands support this belief (Rimbey et al. 2003; Tanaka et al. 2004; Torell et al. 2002; Torell et al. 2014; Van Tassell and Richardson. 1998; Wilson et al. 1985). Conducted mostly in the Interior West on BLM lands, the results of these studies may be applicable to economic effects on Siskiyou County if grazing permits are allowed to expire, are revoked, or if FS administered grazing allotments are allowed to go vacant (Beckett al. 1993).

Rimbey et al (2003) produced economic impact models that suggested when policy changes incrementally reduce public lands forage allocations, ranchers attempt to maintain herd size by limiting sales of their own hay, purchasing additional hay, leasing private forage resources, or borrowing. As public land forage was whittled away, herd size declined. When total removal of public land forage from a ranch's obtainable resources produces negative cash flow, the ranching enterprise is rendered no longer economically viable (Rimbey et al. 2003). Cash flow constriction can be overcome with infusions of off-ranch income, but ability to remain in business then comes to depend upon it.

With diminishing ranch income, personal commitment to ranching becomes more important: expenses beyond direct ranch maintenance need to be funded through outside sources including borrowing, personal wealth, or off-ranch employment. Research in Colorado (Rowe and Bartlett. 2001) suggested a limit could be reached in ranchers' customary resistance to reduction of herd size. There, when allocated public lands forage was reduced to where purchased hay became the only means to replace it, herd reduction became the most economical alternative.

Environmental Consequences

Alternative 1

Direct and Indirect Effects

Social Effects

Under Alternative 1, ending grazing on Lake Mountain Allotment and not allowing grazing on the Middle Tompkins Grazing Allotment would affect the permittee's operations and could damage the viability of a small ranching operation and lose opportunities to meet the interest of the county in resource-based use of the Forest. Loss of public forage could precipitate sale of smallholding properties and encourage disuse of associated leased lands, thereby encouraging commercial or residential development.. Ranching families could experience lifestyle changes. Knowledge and skills needed to perpetuate sustainable grazing practices on public land would decline. The total acreage available for grazing on the Forest would decrease. This would not have a disproportionately high adverse effect on the poor or minorities, however, so there would not be a negative effect on environmental justice and civil rights would not be negatively affected.

Economic Effects

Economic impacts of Alternative 1 would be most severe in the local economy. If grazing was discontinued on Lake Mountain, Alternative 1 would directly affect economic viability of the current permittee, who would likely have to sell cattle with personal income loss and local job loss overall. Continued vacancy on the Middle Tompkins Allotment would not benefit the unemployment rate or increase agricultural sector jobs.

Cumulative Effects

Past projects in the county prior to 2016 are included in the Affected Environment analysis. Proposed reasonably foreseeable future actions in the county during or after 2016 include fuels reduction, commercial and noncommercial thinning, roadside hazard-tree removal, salvage logging, grazing, and recreational uses. All these would generate jobs in the county, potentially reducing unemployment. These projects could help offset job loss resulting not allowing grazing in the Lake Mountain and Middle Tompkins allotments under Alternative 1. However, adding the effects of not allowing grazing in the project area to the effects of past actions and these reasonably foreseeable future actions will not produce significant cumulative social or economic effects. Under Alternative 2, this job growth would add to the small increase resulting from increased grazing capacity. For Alternative 3, this job growth would add to jobs available under the existing condition.

Alternative 2

Direct and Indirect Effects

Social Effects

The total acreage available for grazing on the Forest would increase, providing opportunities for resource-based use of the Forest as desired by the Siskiyou County Land and Resource Management Plan (1995) and supporting a rural lifestyle. This would not have a

disproportionately high adverse effect on the poor or minorities, so there would not be a negative effect on environmental justice and civil rights would not be negatively affected.

Economic Effects

Making the Middle Tompkins and Lake Mountain Allotments available for grazing would allow one or more local cattle raising enterprise to stabilize or expand. Construction and maintenance of the Lake Mountain Spring development and Faulkstein exclosure would slightly increase workload and expenses for both the permittee and Forest employees and provide short-term employment. Increased grazing capacity may increase employment, helping to promote local economic stability. Indirect effects include increased income and employment for local industries operating in support of ranching.

Cumulative Effects

Adding the social and economic effects of Alternative 2 to the effects of past actions and reasonably foreseeable future actions described for Alternative 1 will not produce significant cumulative social or economic effects.

Alternative 3

Direct and Indirect Effects

Social Effects

Alternative 3 continues current management so no broad scale social changes are expected.

Economic Effects

Alternative 3 would not greatly affect the area economically as current management would continue. Additional employment would not be generated as under Alternative 2. There would be a continued loss of farm employment in the local community but to a lesser degree than with Alternative 1.

Cumulative Effects

Adding the social and economic effects of Alternative 3 to the effects of past actions and reasonably foreseeable future actions described for Alternative 1 will not produce significant cumulative social or economic effects.

Comparison of Alternatives

Table 3 : Comparison of social and economic effects of alternative actions

	Alternative 1	Alternative 2	Alternative 3
Number of allotments under a Term Grazing Permit	0	2	1

Economic costs to permittees	Likely to affect viability of a small ranching operation, causing the permittee to sell cattle or land	Likely to increase income of a local cattle operation which allows operation to stabilize or expand	No change over current condition
Farm and nonfarm employment in the county.	Likely to decrease employment opportunities, especially for cattle ranching	Likely to increase employment opportunities, especially for cattle ranching	Likely to maintain and not increase employment opportunities, especially for cattle ranching

Compliance with law, regulation, policy, and the Forest Plan

The Forest operates under guidance of the Land and Resource Management Plan (Forest Plan) (USDA 1995). The Forest Plan incorporates the Record of Decision for the Northwest Forest Plan. The Forest Plan also provides Forest-wide goals, desired future conditions, and standard and guidelines. All alternatives have been determined consistent with the Forest Plan (see Forest Plan Consistency Checklist) and with applicable law, regulation and policy including Executive Order 12898 on Environmental Justice and USDA Civil Rights Policy (2006). Alternatives that permit grazing would be consistent with the goals of the Siskiyou County Comprehensive Land and Resource Management Plan (1996) that emphasizes use of the natural resources of the Forest.

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